# 1. Introduction

This report presents estimates by the United States government of U.S. anthropogenic greenhouse gas emissions and sinks for the years 1990 through 2004. A summary of these estimates is provided in Table 2-3 and Table 2-4 by gas and source category in the Trends in Greenhouse Gas Emissions chapter. The emission estimates in these tables are presented on both a full molecular mass basis and on a Global Warming Potential (GWP) weighted basis in order to show the relative contribution of each gas to global average radiative forcing.[1] This report also discusses the methods and data used to calculate these emission estimates.

In June of 1992, the United States signed, and later ratified in October, the United Nations Framework Convention on Climate Change (UNFCCC). As stated in Article 2 of the UNFCCC, "The ultimate objective of this Convention and any related legal instruments that the Conference of the Parties may adopt is to achieve, in accordance with the relevant provisions of the Convention, stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. Such a level should be achieved within a time-frame sufficient to allow ecosystems to adapt naturally to climate change, to ensure that food production is not threatened, and to enable economic development to proceed in a sustainable manner."[2,3]

Parties to the Convention, by ratifying, "shall develop, periodically update, publish and make available…national inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, using comparable methodologies.…"[4] The United States views this report as an opportunity to fulfill these commitments under the UNFCCC.

In 1988, preceding the creation of the UNFCCC, the World Meteorological Organization (WMO) and the United Nations Environment Programme (UNEP) jointly established the Intergovernmental Panel on Climate Change (IPCC). The role of the IPCC is to assess on a comprehensive, objective, open, and transparent basis the scientific, technical, and socio-economic information relevant to understanding the scientific basis of risk of human-induced climate change, its potential impacts, and options for adaptation and mitigation (IPCC 2003). Under Working Group 1 of the IPCC, nearly 140 scientists and national experts from more than thirty countries collaborated in the creation of the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* (IPCC/UNEP/OECD/IEA 1997) to ensure that the emission inventories submitted to the UNFCCC are consistent and comparable between nations. The IPCC accepted the *Revised 1996 IPCC Guidelines* at its Twelfth Session (Mexico City, September 11-13, 1996). This report presents information in accordance with these guidelines.

[1] See the section below entitled *Global Warming Potentials* for an explanation of GWP values.

[2] The term "anthropogenic," in this context, refers to greenhouse gas emissions and removals that are a direct result of human activities or are the result of natural processes that have been affected by human activities (IPCC/UNEP/OECD/IEA 1997).

[3] Article 2 of the Framework Convention on Climate Change published by the UNEP/WMO Information Unit on Climate Change. See <http://unfccc.int>. (UNEP/WMO 2000)

[4] Article 4(1)(a) of the United Nations Framework Convention on Climate Change (also identified in Article 12). Subsequent decisions by the Conference of the Parties elaborated the role of Annex I Parties in preparing national inventories. See <http://unfccc.int>.

In addition, this inventory is in accordance with the IPCC *Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories*, which further expanded upon the methodologies in the *Revised 1996 IPCC Guidelines*. The IPCC has also accepted the *Good Practice Guidance for Land Use, Land-Use Change, and Forestry* at its Twenty-First Session (Vienna, November 3-7, 2003), as an elaboration of the *Revised 1996 Guidelines*.

Overall, this inventory of anthropogenic greenhouse gas emissions provides a common and consistent mechanism through which Parties to the UNFCCC can estimate emissions and compare the relative contribution of individual sources, gases, and nations to climate change. The structure of this report is consistent with the current UNFCCC Guidelines on Reporting and Review (UNFCCC 2003).

## 1.1. Background Information

### Greenhouse Gases

Although the Earth's atmosphere consists mainly of oxygen and nitrogen, neither plays a significant role in enhancing the greenhouse effect because both are essentially transparent to terrestrial radiation. The greenhouse effect is primarily a function of the concentration of water vapor, carbon dioxide ($CO_2$), and other trace gases in the atmosphere that absorb the terrestrial radiation leaving the surface of the Earth (IPCC 2001). Changes in the atmospheric concentrations of these greenhouse gases can alter the balance of energy transfers between the atmosphere, space, land, and the oceans.[5] A gauge of these changes is called radiative forcing, which is a measure of the influence a factor has in altering the balance of incoming and outgoing energy in the Earth-atmosphere system (IPCC 2001). Holding everything else constant, increases in greenhouse gas concentrations in the atmosphere will produce positive radiative forcing (i.e., a net increase in the absorption of energy by the Earth).

> *Climate change can be driven by changes in the atmospheric concentrations of a number of radiatively active gases and aerosols. We have clear evidence that human activities have affected concentrations, distributions and life cycles of these gases*. (IPCC 1996)

Naturally occurring greenhouse gases include water vapor, $CO_2$, methane ($CH_4$), nitrous oxide ($N_2O$), and ozone ($O_3$). Several classes of halogenated substances that contain fluorine, chlorine, or bromine are also greenhouse gases, but they are, for the most part, solely a product of industrial activities. Chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs) are halocarbons that contain chlorine, while halocarbons that contain bromine are referred to as bromofluorocarbons (i.e., halons). As stratospheric ozone depleting substances, CFCs, HCFCs, and halons are covered under the *Montreal Protocol on Substances that Deplete the Ozone Layer*. The UNFCCC defers to this earlier international treaty. Consequently, Parties are not required to include these gases in national greenhouse gas inventories.[6] Some other fluorine-containing halogenated substances—hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride ($SF_6$)—do not deplete stratospheric ozone but are potent greenhouse gases. These latter substances are addressed by the UNFCCC and accounted for in national greenhouse gas inventories.

There are also several gases that, although they do not have a commonly agreed upon direct radiative forcing effect, do influence the global radiation budget. These tropospheric gases include carbon monoxide (CO), nitrogen dioxide ($NO_2$), sulfur dioxide ($SO_2$), and tropospheric (ground level) $O_3$. Tropospheric ozone is formed by two precursor pollutants, volatile organic compounds (VOCs) and nitrogen oxides ($NO_x$) in the presence of ultraviolet light (sunlight). Aerosols are extremely small particles or liquid droplets that are often composed of sulfur compounds, carbonaceous combustion products, crustal materials and other human induced pollutants. They can affect the absorptive characteristics of the atmosphere. Comparatively, however, the level of scientific understanding of aerosols is still very low (IPCC 2001).

$CO_2$, $CH_4$, and $N_2O$ are continuously emitted to and removed from the atmosphere by natural processes on Earth. Anthropogenic activities, however, can cause additional quantities of these and other greenhouse gases

[5] For more on the science of climate change, see NRC (2001).

[6] Emissions estimates of CFCs, HCFCs, halons and other ozone-depleting substances are included in this document for informational purposes.

to be emitted or sequestered, thereby changing their global average atmospheric concentrations. Natural activities such as respiration by plants or animals and seasonal cycles of plant growth and decay are examples of processes that only cycle carbon or nitrogen between the atmosphere and organic biomass. Such processes, except when directly or indirectly perturbed out of equilibrium by anthropogenic activities, generally do not alter average atmospheric greenhouse gas concentrations over decadal timeframes. Climatic changes resulting from anthropogenic activities, however, could have positive or negative feedback effects on these natural systems. Atmospheric concentrations of these gases, along with their rates of growth and atmospheric lifetimes, are presented in Table 1-1.

A brief description of each greenhouse gas, its sources, and its role in the atmosphere is given below. The following section then explains the concept of GWPs, which are assigned to individual gases as a measure of their relative average global radiative forcing effect.

*Water Vapor ($H_2O$).* Overall, the most abundant and dominant greenhouse gas in the atmosphere is water vapor. Water vapor is neither long-lived nor well mixed in the atmosphere, varying spatially from 0 to 2 percent (IPCC 1996). In addition, atmospheric water can exist in several physical states including gaseous, liquid, and solid. Human activities are not believed to affect directly the average global concentration of water vapor, but, the radiative forcing produced by the increased concentrations of other greenhouse gases may indirectly affect the hydrologic cycle. While a warmer atmosphere has an increased water holding capacity, increased concentrations of water vapor affects the formation of clouds, which can both absorb and reflect solar and terrestrial radiation. Aircraft contrails, which consist of water vapor and other aircraft emittants, are similar to clouds in their radiative forcing effects (IPCC 1999).

*Carbon Dioxide.* In nature, carbon is cycled between various atmospheric, oceanic, land biotic, marine biotic, and mineral reservoirs. The largest fluxes occur between the atmosphere and terrestrial biota, and between the atmosphere and surface water of the oceans. In the atmosphere, carbon predominantly exists in its oxidized form as $CO_2$. Atmospheric $CO_2$ is part of this global carbon cycle, and therefore its fate is a complex function of geochemical and biological processes. $CO_2$ concentrations in the atmosphere increased from approximately 280 parts per million by volume (ppmv) in pre-industrial times to 376.7 ppmv in 2004, a 35 percent increase (IPCC 2001 and Hofmann 2004).[7,8] The IPCC definitively states that "the present atmospheric $CO_2$ increase is caused by anthropogenic emissions of $CO_2$" (IPCC 2001). The predominant source of anthropogenic $CO_2$ emissions is the combustion of fossil fuels. Forest clearing, other biomass burning, and some non-energy production processes (e.g., cement production) also emit notable quantities of $CO_2$.

In its second assessment, the IPCC also stated that "[t]he increased amount of $CO_2$ [in the atmosphere] is leading

**Table 1-1: Global Atmospheric Concentration (ppm unless otherwise specified), Rate of Concentration Change (ppb/year), and Atmospheric Lifetime (years) of Selected Greenhouse Gases**

| Atmospheric Variable | $CO_2$ | $CH_4$ | $N_2O$ | $SF_6$[a] | $CF_4$[a] |
|---|---|---|---|---|---|
| Pre-industrial atmospheric concentration | 280 | 0.722 | 0.270 | 0 | 40 |
| Atmospheric concentration[b] | 376.7 | 1.756 | 0.319 | 5.4 | 80 |
| Rate of concentration change[c] | 1.6 | 0.005 | 0.0007 | 0.23 | 1.0 |
| Atmospheric lifetime | 50-200[d] | 12[e] | 114[e] | 3,200 | >50,000 |

Source: Current atmospheric concentrations and rate of concentration changes for all gases but $CF_4$ are from Hofmann (2004), data for $CF_4$ are from IPCC (2001). Pre-industrial atmospheric concentration and atmospheric lifetime taken from IPCC (2001).

[a] Concentrations in parts per trillion (ppt) and rate of concentration change in ppt/year.

[b] Concentration for $CF_4$ was measured in 2000. Concentrations for all other gases were measured in 2004.

[c] Rate is calculated over the period 1990 to 2004 for $CO_2$, $CH_4$, and $N_2O$; 1996 to 2004 for $SF_6$; and 1990 to 1999 for $CF_4$.

[d] No single lifetime can be defined for $CO_2$ because of the different rates of uptake by different removal processes.

[e] This lifetime has been defined as an "adjustment time" that takes into account the indirect effect of the gas on its own residence time.

[7] The pre-industrial period is considered as the time preceding the year 1750 (IPCC 2001).

[8] Carbon dioxide concentrations during the last 1,000 years of the pre-industrial period (i.e., 750-1750), a time of relative climate stability, fluctuated by about ±10 ppmv around 280 ppmv (IPCC 2001).

to climate change and will produce, on average, a global warming of the Earth's surface because of its enhanced greenhouse effect—although the magnitude and significance of the effects are not fully resolved" (IPCC 1996).

*Methane*. $CH_4$ is primarily produced through anaerobic decomposition of organic matter in biological systems. Agricultural processes such as wetland rice cultivation, enteric fermentation in animals, and the decomposition of animal wastes emit $CH_4$, as does the decomposition of municipal solid wastes. $CH_4$ is also emitted during the production and distribution of natural gas and petroleum, and is released as a by-product of coal mining and incomplete fossil fuel combustion. Atmospheric concentrations of $CH_4$ have increased by about 143 percent since 1750, from a pre-industrial value of about 722 ppb to 1,756 ppb in 2004, although the rate of increase has been declining. The IPCC has estimated that slightly more than half of the current $CH_4$ flux to the atmosphere is anthropogenic, from human activities such as agriculture, fossil fuel use, and waste disposal (IPCC 2001).

$CH_4$ is removed from the atmosphere through a reaction with the hydroxyl radical (OH) and is ultimately converted to $CO_2$. Minor removal processes also include reaction with chlorine in the marine boundary layer, a soil sink, and stratospheric reactions. Increasing emissions of $CH_4$ reduce the concentration of OH, a feedback that may increase the atmospheric lifetime of $CH_4$ (IPCC 2001).

*Nitrous Oxide*. Anthropogenic sources of $N_2O$ emissions include agricultural soils, especially production of nitrogen-fixing crops and forages, the use of synthetic and manure fertilizers, and manure deposition by livestock; fossil fuel combustion, especially from mobile combustion; adipic (nylon) and nitric acid production; wastewater treatment and waste combustion; and biomass burning. The atmospheric concentration of $N_2O$ has increased by 18 percent since 1750, from a pre-industrial value of about 270 ppb to 319 ppb in 2004, a concentration that has not been exceeded during the last thousand years. $N_2O$ is primarily removed from the atmosphere by the photolytic action of sunlight in the stratosphere (IPCC 2001).

*Ozone*. Ozone is present in both the upper stratosphere,[9] where it shields the Earth from harmful levels of ultraviolet radiation, and at lower concentrations in the troposphere,[10] where it is the main component of anthropogenic photochemical "smog." During the last two decades, emissions of anthropogenic chlorine and bromine-containing halocarbons, such as CFCs, have depleted stratospheric ozone concentrations. This loss of ozone in the stratosphere has resulted in negative radiative forcing, representing an indirect effect of anthropogenic emissions of chlorine and bromine compounds (IPCC 1996). The depletion of stratospheric ozone and its radiative forcing was expected to reach a maximum in about 2000 before starting to recover, with detection of such recovery not expected to occur much before 2010 (IPCC 2001).

The past increase in tropospheric ozone, which is also a greenhouse gas, is estimated to provide the third largest increase in direct radiative forcing since the pre-industrial era, behind $CO_2$ and $CH_4$. Tropospheric ozone is produced from complex chemical reactions of volatile organic compounds mixing with $NO_x$ in the presence of sunlight. The tropospheric concentrations of ozone and these other pollutants are short-lived and, therefore, spatially variable.

*Halocarbons, Perfluorocarbons, and Sulfur Hexafluoride*. Halocarbons are, for the most part, man-made chemicals that have both direct and indirect radiative forcing effects. Halocarbons that contain chlorine (CFCs, HCFCs, methyl chloroform, and carbon tetrachloride) and bromine (halons, methyl bromide, and hydrobromofluorocarbons [HBFCs]) result in stratospheric ozone depletion and are therefore controlled under the *Montreal Protocol on Substances that Deplete the Ozone Layer*. Although CFCs and HCFCs include potent global warming gases, their net radiative forcing effect on the atmosphere is reduced because they cause stratospheric ozone depletion, which itself is an important greenhouse gas in addition to shielding the Earth from harmful levels of ultraviolet radiation. Under the *Montreal Protocol*, the United States phased out the production and importation of halons by 1994 and of CFCs by 1996. Under the Copenhagen Amendments to the *Protocol*, a cap was

[9] The stratosphere is the layer from the troposphere up to roughly 50 kilometers. In the lower regions the temperature is nearly constant but in the upper layer the temperature increases rapidly because of sunlight absorption by the ozone layer. The ozone-layer is the part of the stratosphere from 19 kilometers up to 48 kilometers where the concentration of ozone reaches up to 10 parts per million.

[10] The troposphere is the layer from the ground up to 11 kilometers near the poles and up to 16 kilometers in equatorial regions (i.e., the lowest layer of the atmosphere where people live). It contains roughly 80 percent of the mass of all gases in the atmosphere and is the site for most weather processes, including most of the water vapor and clouds.

placed on the production and importation of HCFCs by non-Article 5[11] countries beginning in 1996, and then followed by a complete phase-out by the year 2030. While ozone depleting gases covered under the *Montreal Protocol* and its Amendments are not covered by the UNFCCC; they are reported in this inventory under Annex 6.2 of this report for informational purposes.

HFCs, PFCs, and $SF_6$ are not ozone depleting substances, and therefore are not covered under the *Montreal Protocol*. They are, however, powerful greenhouse gases. HFCs are primarily used as replacements for ozone depleting substances but also emitted as a by-product of the HCFC-22 manufacturing process. Currently, they have a small aggregate radiative forcing impact, but it is anticipated that their contribution to overall radiative forcing will increase (IPCC 2001). PFCs and $SF_6$ are predominantly emitted from various industrial processes including aluminum smelting, semiconductor manufacturing, electric power transmission and distribution, and magnesium casting. Currently, the radiative forcing impact of PFCs and $SF_6$ is also small, but they have a significant growth rate, extremely long atmospheric lifetimes, and are strong absorbers of infrared radiation, and therefore have the potential to influence climate far into the future (IPCC 2001).

*Carbon Monoxide*. Carbon monoxide has an indirect radiative forcing effect by elevating concentrations of $CH_4$ and tropospheric ozone through chemical reactions with other atmospheric constituents (e.g., the hydroxyl radical, OH) that would otherwise assist in destroying $CH_4$ and tropospheric ozone. Carbon monoxide is created when carbon-containing fuels are burned incompletely. Through natural processes in the atmosphere, it is eventually oxidized to $CO_2$. Carbon monoxide concentrations are both short-lived in the atmosphere and spatially variable.

*Nitrogen Oxides*. The primary climate change effects of nitrogen oxides (i.e., NO and $NO_2$) are indirect and result from their role in promoting the formation of ozone in the troposphere and, to a lesser degree, lower stratosphere, where it has positive radiative forcing effects.[12] Additionally, $NO_x$ emissions from aircraft are also likely to decrease $CH_4$ concentrations, thus having a negative radiative forcing effect (IPCC 1999). Nitrogen oxides are created from lightning, soil microbial activity, biomass burning (both natural and anthropogenic fires), fuel combustion, and, in the stratosphere, from the photo-degradation of $N_2O$. Concentrations of $NO_x$ are both relatively short-lived in the atmosphere and spatially variable.

*Nonmethane Volatile Organic Compounds (NMVOCs)*. Non-$CH_4$ volatile organic compounds include substances such as propane, butane, and ethane. These compounds participate, along with $NO_x$, in the formation of tropospheric ozone and other photochemical oxidants. NMVOCs are emitted primarily from transportation and industrial processes, as well as biomass burning and non-industrial consumption of organic solvents. Concentrations of NMVOCs tend to be both short-lived in the atmosphere and spatially variable.

*Aerosols*. Aerosols are extremely small particles or liquid droplets found in the atmosphere. They can be produced by natural events such as dust storms and volcanic activity, or by anthropogenic processes such as fuel combustion and biomass burning. Aerosols affect radiative forcing differently than greenhouse gases, and their radiative effects occur through direct and indirect mechanisms: directly by scattering and absorbing solar radiation; and indirectly by increasing droplet counts that modify the formation, precipitation efficiency, and radiative properties of clouds. Aerosols are removed from the atmosphere relatively rapidly by precipitation. Because aerosols generally have short atmospheric lifetimes, and have concentrations and compositions that vary regionally, spatially, and temporally, their contributions to radiative forcing are difficult to quantify (IPCC 2001).

The indirect radiative forcing from aerosols is typically divided into two effects. The first effect involves decreased droplet size and increased droplet concentration resulting from an increase in airborne aerosols. The second effect involves an increase in the water content and lifetime

[11] Article 5 of the *Montreal Protocol* covers several groups of countries, especially developing countries, with low consumption rates of ozone depleting substances. Developing countries with per capita consumption of less than 0.3 kg of certain ozone depleting substances (weighted by their ozone depleting potential) receive financial assistance and a grace period of ten additional years in the phase-out of ozone depleting substances.

[12] $NO_x$ emissions injected higher in the stratosphere, primarily from fuel combustion emissions from high altitude supersonic aircraft, can lead to stratospheric ozone depletion.

of clouds due to the effect of reduced droplet size on precipitation efficiency (IPCC 2001). Recent research has placed a greater focus on the second indirect radiative forcing effect of aerosols.

Various categories of aerosols exist, including naturally produced aerosols such as soil dust, sea salt, biogenic aerosols, sulfates, and volcanic aerosols, and anthropogenically manufactured aerosols such as industrial dust and carbonaceous[13] aerosols (e.g., black carbon, organic carbon) from transportation, coal combustion, cement manufacturing, waste incineration, and biomass burning.

The net effect of aerosols on radiative forcing is believed to be negative (i.e., net cooling effect on the climate), although because they remain in the atmosphere for only days to weeks, their concentrations respond rapidly to changes in emissions.[14] Locally, the negative radiative forcing effects of aerosols can offset the positive forcing of greenhouse gases (IPCC 1996). "However, the aerosol effects do not cancel the global-scale effects of the much longer-lived greenhouse gases, and significant climate changes can still result" (IPCC 1996).

The IPCC's Third Assessment Report notes that "the indirect radiative effect of aerosols is now understood to also encompass effects on ice and mixed-phase clouds, but the magnitude of any such indirect effect is not known, although it is likely to be positive" (IPCC 2001). Additionally, current research suggests that another constituent of aerosols, black carbon, may have a positive radiative forcing (Jacobson 2001). The primary anthropogenic emission sources of black carbon include diesel exhaust and open biomass burning.

## Global Warming Potentials

A global warming potential is a quantified measure of the globally averaged relative radiative forcing impacts of a particular greenhouse gas (see Table 1-2). It is defined as the ratio of the time-integrated radiative forcing from the instantaneous release of 1 kg of a trace substance relative to that of 1 kg of a reference gas (IPCC 2001). Direct radiative effects occur when the gas itself absorbs radiation. Indirect radiative forcing occurs when chemical transformations involving the original gas produces a gas or gases that are greenhouse gases, or when a gas influences other radiatively important processes such as the atmospheric lifetimes of other gases. The reference gas used is $CO_2$, and therefore GWP weighted emissions are measured in teragrams of $CO_2$ equivalent (Tg $CO_2$ Eq.)[15] The relationship between gigagrams (Gg) of a gas and Tg $CO_2$ Eq. can be expressed as follows:

$$\text{Tg } CO_2 \text{ Eq} = (\text{Gg of gas}) \times (\text{GWP}) \times \left( \frac{\text{Tg}}{1{,}000 \text{ Gg}} \right)$$

where,

Tg $CO_2$ Eq. = Teragrams of Carbon Dioxide Equivalents
Gg = Gigagrams (equivalent to a thousand metric tons)
GWP = Global Warming Potential
Tg = Teragrams

GWP values allow for a comparison of the impacts of emissions and reductions of different gases. According to the IPCC, GWPs typically have an uncertainty of ±35 percent. The parties to the UNFCCC have also agreed to use GWPs based upon a 100-year time horizon although other time horizon values are available.

> *Greenhouse gas emissions and removals should be presented on a gas-by-gas basis in units of mass... In addition, consistent with decision 2/CP.3, Parties should report aggregate emissions and removals of greenhouse gases, expressed in $CO_2$ equivalent terms at summary inventory level, using GWP values provided by the IPCC in its* Second Assessment Report*...based on the effects of greenhouse gases over a 100-year time horizon.*[16]

[13] Carbonaceous aerosols are aerosols that are comprised mainly of organic substances and forms of black carbon (or soot) (IPCC 2001).

[14] Volcanic activity can inject significant quantities of aerosol producing sulfur dioxide and other sulfur compounds into the stratosphere, which can result in a longer negative forcing effect (i.e., a few years) (IPCC 1996).

[15] Carbon comprises 12/44ths of carbon dioxide by weight.

[16] Framework Convention on Climate Change; <http://unfccc.int/resource/docs/cop8/08.pdf>; 1 November 2002; Report of the Conference of the Parties at its eighth session; held at New Delhi from 23 October to 1 November 2002; Addendum; Part One: Action taken by the Conference of the Parties at its eighth session; Decision -/CP.8; Communications from Parties included in Annex I to the Convention: Guidelines for the Preparation of National Communications by Parties Included in Annex I to the Convention, Part 1: UNFCCC reporting guidelines on annual inventories; p. 7. (UNFCCC 2003).

**Table 1-2: Global Warming Potentials and Atmospheric Lifetimes (Years) Used in this Report**

| Gas | Atmospheric Lifetime | GWP[a] |
|---|---|---|
| $CO_2$ | 50-200 | 1 |
| $CH_4$[b] | 12±3 | 21 |
| $N_2O$ | 120 | 310 |
| HFC-23 | 264 | 11,700 |
| HFC-32 | 5.6 | 650 |
| HFC-125 | 32.6 | 2,800 |
| HFC-134a | 14.6 | 1,300 |
| HFC-143a | 48.3 | 3,800 |
| HFC-152a | 1.5 | 140 |
| HFC-227ea | 36.5 | 2,900 |
| HFC-236fa | 209 | 6,300 |
| HFC-4310mee | 17.1 | 1,300 |
| $CF_4$ | 50,000 | 6,500 |
| $C_2F_6$ | 10,000 | 9,200 |
| $C_4F_{10}$ | 2,600 | 7,000 |
| $C_6F_{14}$ | 3,200 | 7,400 |
| $SF_6$ | 3,200 | 23,900 |

Source: (IPCC 1996)
[a] 100-year time horizon
[b] The GWP of $CH_4$ includes the direct effects and those indirect effects due to the production of tropospheric ozone and stratospheric water vapor. The indirect effect due to the production of $CO_2$ is not included.

Greenhouse gases with relatively long atmospheric lifetimes (e.g., $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, and $SF_6$) tend to be evenly distributed throughout the atmosphere, and consequently global average concentrations can be determined. The short-lived gases such as water vapor, carbon monoxide, tropospheric ozone, ozone precursors (e.g., $NO_x$, and NMVOCs), and tropospheric aerosols (e.g., $SO_2$ products and carbonaceous particles), however, vary regionally, and consequently it is difficult to quantify their global radiative forcing impacts. No GWP values are attributed to these gases that are short-lived and spatially inhomogeneous in the atmosphere.

## 1.2. Institutional Arrangements

The U.S. Environmental Protection Agency (EPA), in cooperation with other U.S. government agencies, prepares the Inventory of U.S. Greenhouse Gas Emissions and Sinks. A wide range of agencies and individuals are involved in supplying data to, reviewing, or preparing portions of the U.S. Inventory—including federal and state government authorities, research and academic institutions, industry associations, and private consultants.

Within EPA, the Office of Atmospheric Programs (OAP) is the lead office responsible for the emission calculations provided in the Inventory, as well as the completion of the National Inventory Report and the Common Reporting Format tables. The Office of Transportation and Air Quality (OTAQ) is also involved in calculating emissions for the Inventory. While the U.S. Department of State officially submits the annual Inventory to the UNFCCC, EPA's OAP serves as the focal point for technical questions and comments on the U.S. Inventory. The staff of OAP and OTAQ coordinates the annual methodological choice, activity data collection, and emission calculations at the individual source category level. Within OAP, an inventory coordinator compiles the entire Inventory into the proper reporting format for submission to the UNFCCC, and is responsible for the collection and consistency of cross-cutting issues in the Inventory.

Several other government agencies contribute to the collection and analysis of the underlying activity data used in the Inventory calculations. Formal relationships exist between EPA and other U.S. agencies that provide official data for use in the Inventory. The U.S. Department of Energy's Energy Information Administration provides national fuel consumption data and the U.S. Department of Defense provides military fuel consumption and bunker fuels data. Informal relationships also exist with other U.S. agencies to provide activity data for use in EPA's emission calculations. These include: the U.S. Department of Agriculture, the U.S. Geological Survey, the Federal Highway Administration, the Department of Transportation, the Bureau of Transportation Statistics, the Department of Commerce, the National Agricultural Statistics Service, and the Federal Aviation Administration. Academic and research centers also provide activity data and calculations to EPA, as well as individual companies participating in voluntary outreach efforts with EPA. Finally, the U.S. Department of State officially submits the Inventory to the UNFCCC each April.

## 1.3. Inventory Process

EPA has a decentralized approach to preparing the annual U.S. Inventory, which consists of a National Inventory Report (NIR) and Common Reporting Format (CRF) tables. The Inventory coordinator at EPA is responsible for compiling all emission estimates, and ensuring consistency and quality throughout the NIR and

### Box 1-1: The IPCC Third Assessment Report and Global Warming Potentials

In 2001, the IPCC published its Third Assessment Report (TAR), which provided an updated and more comprehensive scientific assessment of climate change. Within this report, the GWPs of several gases were revised relative to the IPCC's Second Assessment Report (SAR), and new GWPs have been calculated for an expanded set of gases. Since the SAR, the IPCC has applied an improved calculation of $CO_2$ radiative forcing and an improved $CO_2$ response function (presented in WMO 1999). The GWPs are drawn from WMO (1999) and the SAR, with updates for those cases where significantly different new laboratory or radiative transfer results have been published. Additionally, the atmospheric lifetimes of some gases have been recalculated. Because the revised radiative forcing of $CO_2$ is about 12 percent lower than that in the SAR, the GWPs of the other gases relative to $CO_2$ tend to be larger, taking into account revisions in lifetimes. In addition, the values for radiative forcing and lifetimes have been calculated for a variety of halocarbons, which were not presented in the SAR. Table 1-3 presents the new GWPs, relative to those presented in the SAR.

**Table 1-3: Comparison of 100-Year GWPs**

| Gas | SAR | TAR | Change | |
|---|---|---|---|---|
| $CO_2$ | 1 | 1 | NC | NC |
| $CH_4$* | 21 | 23 | 2 | 10% |
| $N_2O$ | 310 | 296 | (14) | (5%) |
| HFC-23 | 11,700 | 12,000 | 300 | 3% |
| HFC-32 | 650 | 550 | (100) | (15%) |
| HFC-125 | 2,800 | 3,400 | 600 | 21% |
| HFC-134a | 1,300 | 1,300 | NC | NC |
| HFC-143a | 3,800 | 4,300 | 500 | 13% |
| HFC-152a | 140 | 120 | (20) | (14%) |
| HFC-227ea | 2,900 | 3,500 | 600 | 21% |
| HFC-236fa | 6,300 | 9,400 | 3,100 | 49% |
| HFC-4310mee | 1,300 | 1,500 | 200 | 15% |
| $CF_4$ | 6,500 | 5,700 | (800) | (12%) |
| $C_2F_6$ | 9,200 | 11,900 | 2,700 | 29% |
| $C_4F_{10}$ | 7,000 | 8,600 | 1,600 | 23% |
| $C_6F_{14}$ | 7,400 | 9,000 | 1,600 | 22% |
| $SF_6$ | 23,900 | 22,200 | (1,700) | (7%) |

Source: (IPCC 2001)
NC (No Change)
Note: Parentheses indicate negative values.
* The GWP of $CH_4$ includes the direct effects and those indirect effects due to the production of tropospheric ozone and stratospheric water vapor. The indirect effect due to the production of $CO_2$ is not included.

To comply with international reporting standards under the UNFCCC, official emission estimates are reported by the United States using SAR GWP values. The UNFCCC reporting guidelines for national inventories[17] were updated in 2002 but continue to require the use of GWPs from the SAR so that current estimates of aggregate greenhouse gas emissions for 1990 through 2004 are consistent and comparable with estimates developed prior to the publication of the TAR. For informational purposes, emission estimates that use the updated GWPs are presented below and in even more detail in Annex 6.1 of this report. All estimates provided throughout this report are also presented in unweighted units.

CRF tables. Emission calculations for individual sources are the responsibility of individual source leads, who are most familiar with each source category and the unique characteristics of its emissions profile. The individual source leads determine the most appropriate methodology and collect the best activity data to use in the emission calculations, based upon their expertise in the source category, as well as coordinating with researchers and contractors familiar with the sources. A multi-stage process for collecting information from the individual source leads and producing the Inventory is undertaken annually to compile all information and data.

[17] See <http://unfccc.int/resource/docs/cop8/08.pdf>.

## Methodology Development, Data Collection, and Emissions and Sink Estimation

Source leads at EPA collect input data and, as necessary, evaluate or develop the estimation methodology for the individual source categories. For most source categories, the methodology for the previous year is applied to the new "current" year of the Inventory, and inventory analysts collect any new data or update data that have changed from the previous year. If estimates for a new source category are being developed for the first time, or if the methodology is changing for an existing source category (e.g., the United States is implementing a higher Tiered approach for that source category), then the source category lead will develop a new methodology, gather the most appropriate activity data and emission factors (or in some cases direct emission measurements) for the entire time series, and conduct a special source-specific peer review process involving relevant experts from industry, government, and universities.

Once the methodology is in place and the data are collected, the individual source leads calculate emissions and sink estimates. The source leads then update or create the relevant text and accompanying Annexes for the Inventory. Source leads are also responsible for completing the relevant sectoral background tables of the Common Reporting Format, conducting quality assurance and quality control (QA/QC) checks, and uncertainty analyses.

## Summary Spreadsheet Compilation and Data Storage

The inventory coordinator at EPA collects the source categories' descriptive text and Annexes, and also aggregates the emission estimates into a summary spreadsheet that links the individual source category spreadsheets together. This summary sheet contains all of the essential data in one central location, in formats commonly used in the Inventory document. In addition to the data from each source category, national trend and related data are also gathered in the summary sheet for use in the Executive Summary, Introduction, and Recent Trends sections of the Inventory report. Electronic copies of each year's summary spreadsheet, which contains all the emission and sink estimates for the United States, are kept on a central server at EPA under the jurisdiction of the Inventory coordinator.

## National Inventory Report Preparation

The NIR is compiled from the sections developed by each individual source lead. In addition, the inventory coordinator prepares a brief overview of each chapter that summarizes the emissions from all sources discussed in the chapters. The inventory coordinator then carries out a key category analysis for the Inventory, consistent with the IPCC *Good Practice Guidance*, IPCC *Good Practice Guidance for Land Use, Land Use Change and Forestry*, and in accordance with the reporting requirements of the UNFCCC. Also at this time, the Introduction, Executive Summary, and Recent Trends sections are drafted, to reflect the trends for the most recent year of the current Inventory. The analysis of trends necessitates gathering supplemental data, including weather and temperature conditions, economic activity and gross domestic product, population, atmospheric conditions, and the annual consumption of electricity, energy, and fossil fuels. Changes in these data are used to explain the trends observed in greenhouse gas emissions in the United States. Furthermore, specific factors that affect individual sectors are researched and discussed. Many of the factors that affect emissions are included in the Inventory document as separate analyses or side discussions in boxes within the text. Text boxes are also created to examine the data aggregated in different ways than in the remainder of the document, such as a focus on transportation activities or emissions from electricity generation. The document is prepared to match the specification of the UNFCCC reporting guidelines for National Inventory Reports.

## Common Reporting Format Table Compilation

The CRF tables are compiled from individual tables completed by each individual source lead, which contain source emissions and activity data. The inventory coordinator integrates the source data into the complete CRF tables for the United States, assuring consistency across all sectoral tables. The summary reports for emissions, methods, and emission factors used; the overview tables for completeness and quality of estimates; the recalculation tables; the notation key completion tables; and the emission trends tables are then completed by the inventory coordinator. Internal automated quality checks on the CRF tables, as well as reviews by the source leads, are completed for the entire time series of CRF tables before submission.

### QA/QC and Uncertainty

QA/QC and uncertainty analyses are supervised by the QA/QC coordinator, who has general oversight over the implementation of the QA/QC plan and the overall uncertainty analysis for the Inventory (see sections on QA/QC and Uncertainty, below). The QA/QC coordinator works closely with the source leads to ensure a consistent QA/QC plan and uncertainty analysis is implemented across all inventory sources. The inventory QA/QC plan, detailed in a following section, is consistent with the quality assurance procedures outlined by EPA.

### Expert and Public Review Periods

During the Expert Review period, a first draft of the document is sent to a select list of technical experts outside of EPA. The purpose of the Expert Review is to encourage feedback on the methodological and data sources used in the current Inventory, especially for sources which have experienced any changes since the previous Inventory.

Once comments are received and addressed, a second draft of the document is released for public review by publishing a notice in the U.S. Federal Register and posting the document on the EPA Web site. The Public Review period allows for a 30 day comment period and is open to the entire U.S. public.

### Final Submittal to UNFCCC and Document Printing

After the final revisions to incorporate any comments from the Expert Review and Public Review periods, EPA prepares the final National Inventory Report and the accompanying Common Reporting Format Tables. The U.S. Department of State sends the official submission of the U.S. Inventory to the UNFCCC. The document is then formatted for printing, posted online, printed by the U.S. Government Printing Office, and made available for the public.

## 1.4. Methodology and Data Sources

Emissions of greenhouse gases from various source and sink categories have been estimated using methodologies that are consistent with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* (IPCC/UNEP/OECD/IEA 1997). In addition, the United States references the additional guidance provided in the *IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories* (IPCC 2000) and *IPCC Good Practice Guidance for Land Use, Land-Use Change, and Forestry* (IPCC 2003). To the extent possible, the present report relies on published activity and emission factor data. Depending on the emission source category, activity data can include fuel consumption or deliveries, vehicle-miles traveled, raw material processed, etc. Emission factors are factors that relate quantities of emissions to an activity.

The IPCC methodologies provided in the *Revised 1996 IPCC Guidelines* represent baseline methodologies for a variety of source categories, and many of these methodologies continue to be improved and refined as new research and data become available. This report uses the IPCC methodologies when applicable, and supplements them with other available methodologies and data where possible. Choices made regarding the methodologies and data sources used are provided in conjunction with the discussion of each source category in the main body of the report. Complete documentation is provided in the annexes on the detailed methodologies and data sources utilized in the calculation of each source category.

## 1.5. Key Categories

The IPCC's *Good Practice Guidance* (IPCC 2000) defines a key category as a "[source or sink category] that is prioritized within the national inventory system because its estimate has a significant influence on a country's total inventory of direct greenhouse gases in terms of the absolute level of emissions, the trend in emissions, or both."[18] By definition, key categories include those sources that have the greatest contribution to the absolute level of national emissions. In addition, when an entire time series of emission estimates is prepared, a thorough investigation of key categories must also account for the influence of trends of individual source and sink categories. This analysis culls out source and sink categories that diverge from the overall trend in national emissions. Finally, a qualitative evaluation of key categories is performed to capture any categories that were not identified in either of the quantitative analyses.

[18] See Chapter 7 "Methodological Choice and Recalculation" in IPCC (2000). <http://www.ipcc-nggip.iges.or.jp/public/gp/gpgaum.htm>

**Box 1-2: IPCC Reference Approach**

The UNFCCC reporting guidelines require countries to complete a "top-down" reference approach for estimating $CO_2$ emissions from fossil fuel combustion in addition to their "bottom-up" sectoral methodology. This estimation method uses alternative methodologies and different data sources than those contained in that section of the Energy chapter. The reference approach estimates fossil fuel consumption by adjusting national aggregate fuel production data for imports, exports, and stock changes rather than relying on end-user consumption surveys (see Annex 4 of this report). The reference approach assumes that once carbon-based fuels are brought into a national economy, they are either saved in some way (e.g., stored in products, kept in fuel stocks, or left unoxidized in ash) or combusted, and therefore the carbon in them is oxidized and released into the atmosphere. Accounting for actual consumption of fuels at the sectoral or sub-national level is not required.

A Tier 1 approach, as defined in the IPCC's *Good Practice Guidance* (IPCC 2000), was implemented to identify the key categories for the United States. This analysis was performed twice; one analysis included sources and sinks from the Land Use, Land-Use Change, and Forestry (LULUCF) sector, the other analysis did not include the LULUCF categories.

In addition to conducting Tier 1 level and trend assessments, a qualitative assessment of the source categories, as described in the IPCC's *Good Practice Guidance* (IPCC 2000), was conducted to capture any key categories that were not identified by either quantitative method. One additional key category, international bunker fuels, was identified using this qualitative assessment. International bunker fuels are fuels consumed for aviation or marine international transport activities, and emissions from these fuels are reported separately from totals in accordance with IPCC guidelines. If these emissions were included in the totals, bunker fuels would qualify as a key category according to the Tier 1 approach. The amount of uncertainty associated with estimation of emissions from international bunker fuels also supports the qualification of this source category as key.

Table 1-4 presents the key categories for the United States based on the Tier 1 approach (including and excluding LULUCF categories) using emissions data in this report, and ranked according to their sector and global-warming potential-weighted emissions in 2004. The table also indicates the criteria used in identifying these categories (i.e., level, trend, and/or qualitative assessments). Annex 1 of this report provides additional information regarding the key categories in the United States and the methodologies used to identify them.

## 1.6. Quality Assurance and Quality Control (QA/QC)

As part of efforts to achieve its stated goals for inventory quality, transparency, and credibility, the United States has developed a quality assurance and quality control plan designed to check, document, and improve the quality of its inventory over time. QA/QC activities on the Inventory are undertaken within the framework of the U.S. QA/QC plan, *Quality Assurance/Quality Control and Uncertainty Management Plan for the U.S. Greenhouse Gas Inventory: Procedures Manual for QA/QC and Uncertainty Analysis*.

In particular, key attributes of the QA/QC plan include:

- The plan includes specific detailed procedures (or protocols) and templates (or forms) that serve to standardize the process of documenting and archiving information, as well as to guide the implementation of QA/QC and the analysis of the uncertainty of the inventory estimates.
- The plan includes expert review as well as QC—for both the inventory estimates and the Inventory (which is the primary vehicle for disseminating the results of the inventory development process). In addition, the plan provides for public review of the Inventory.
- The QC process includes both Tier 1 (general) and Tier 2 (source-specific) quality controls and checks, as recommended by IPCC *Good Practice Guidance*.
- Investigations of secondary data quality and source-specific quality checks (Tier 2 QC) are considered in parallel and coordination with the uncertainty assessment; the development of protocols and templates provides for

**Table 1-4: Key Categories for the United States (1990-2004) Based on Tier 1 Approach**

| IPCC Source Category | Gas | Level Without LULUCF | Trend Without LULUCF | Level With LULUCF | Trend With LULUCF | Qual[a] | 2004 Emissions (Tg $CO_2$ Eq.) |
|---|---|---|---|---|---|---|---|
| **Energy** | | | | | | | |
| $CO_2$ Emissions from Stationary Combustion—Coal | $CO_2$ | ✓ | ✓ | ✓ | ✓ | | 2,027.0 |
| $CO_2$ Emissions from Mobile Combustion: Road & Other | $CO_2$ | ✓ | ✓ | ✓ | ✓ | | 1,621.5 |
| $CO_2$ Emissions from Stationary Combustion—Gas | $CO_2$ | ✓ | ✓ | ✓ | ✓ | | 1,153.8 |
| $CO_2$ Emissions from Stationary Combustion—Oil | $CO_2$ | ✓ | ✓ | ✓ | ✓ | | 619.9 |
| $CO_2$ Emissions from Mobile Combustion: Aviation | $CO_2$ | ✓ | ✓ | ✓ | ✓ | | 179.6 |
| $CH_4$ Fugitive Emissions from Natural Gas Operations | $CH_4$ | ✓ | ✓ | ✓ | ✓ | | 153.4 |
| $CO_2$ Emissions from Non-Energy Use of Fuels | $CO_2$ | ✓ | ✓ | ✓ | ✓ | | 118.8 |
| International Bunker Fuels[b] | Several | | | | | ✓ | 95.5 |
| $CH_4$ Fugitive Emissions from Coal Mining and Handling | $CH_4$ | ✓ | ✓ | ✓ | ✓ | | 56.3 |
| $CO_2$ Emissions from Mobile Combustion: Marine | $CO_2$ | ✓ | | ✓ | | | 54.4 |
| $N_2O$ Emissions from Mobile Combustion: Road & Other | $N_2O$ | ✓ | ✓ | ✓ | | | 40.6 |
| $CH_4$ Fugitive Emissions from Oil Operations | $CH_4$ | ✓ | ✓ | ✓ | ✓ | | 25.7 |
| **Industrial Processes** | | | | | | | |
| Emissions from Substitutes for Ozone Depleting Substances | Several | ✓ | ✓ | ✓ | ✓ | | 103.3 |
| $CO_2$ Emissions from Iron and Steel Production | $CO_2$ | ✓ | ✓ | ✓ | ✓ | | 51.3 |
| $CO_2$ Emissions from Cement Production | $CO_2$ | ✓ | ✓ | ✓ | ✓ | | 45.6 |
| $CO_2$ Emissions from Ammonia Manufacture and Urea Application | $CO_2$ | | ✓ | | | | 16.9 |
| $SF_6$ Emissions from Electrical Equipment | $SF_6$ | | ✓ | | ✓ | | 15.6 |
| HFC-23 Emissions from HCFC-22 Manufacture | HFCs | ✓ | ✓ | ✓ | ✓ | | 13.8 |
| $N_2O$ Emissions from Adipic Acid Production | $N_2O$ | | ✓ | | ✓ | | 5.7 |
| PFC Emissions from Aluminum Production | PFCs | | ✓ | | ✓ | | 2.8 |
| **Agriculture** | | | | | | | |
| Direct $N_2O$ Emissions from Agricultural Soils | $N_2O$ | ✓ | | ✓ | | | 170.9 |
| $CH_4$ Emissions from Enteric Fermentation in Domestic Livestock | $CH_4$ | ✓ | ✓ | ✓ | ✓ | | 112.6 |
| Indirect $N_2O$ Emissions from Nitrogen Used in Agriculture | $N_2O$ | ✓ | ✓ | ✓ | ✓ | | 90.6 |
| $CH_4$ Emissions from Manure Management | $CH_4$ | | | ✓ | | | 39.4 |
| **Waste** | | | | | | | |
| $CH_4$ Emissions from Solid Waste Disposal Sites | $CH_4$ | ✓ | ✓ | ✓ | ✓ | | 140.9 |
| $CH_4$ Emissions from Wastewater Handling | $CH_4$ | | ✓ | | ✓ | | 36.9 |
| $CO_2$ Emissions from Waste Incineration | | | | | | | |
| **Land Use, Land Use Change, and Forestry** | $CO_2$ | | ✓ | | ✓ | | 19.4 |
| $CO_2$ Emissions from Forest Land Remaining Forest Land | $CO_2$ | | | ✓ | ✓ | | (637.2) |
| $CO_2$ Emissions from Settlements Remaining Settlements | $CO_2$ | | | ✓ | | | (97.3) |
| $CO_2$ Emissions from Cropland Remaining Cropland | $CO_2$ | | | ✓ | ✓ | | (28.8) |
| **Subtotal Without LULUCF** | | | | | | | **6,918.2** |
| **Total Emissions Without LULUCF[c]** | | | | | | | **7,067.6** |
| **Percent of Total Without LULUCF** | | | | | | | **97.9%** |
| **Subtotal With LULUCF** | | | | | | | **6,154.8** |
| **Total Emissions With LULUCF** | | | | | | | **6,294.3** |
| **Percent of Total With LULUCF** | | | | | | | **97.8%** |

[a]Qualitative criteria.
[b]Emissions from this source not included in totals.
[c]Does not include LULUCF sources (i.e., $N_2O$ emissions) or sinks.
Note: The Tier 1 approach for identifying key source categories does not directly include assessment of uncertainty in emission estimates.

more structured communication and integration with the suppliers of secondary information.

- The plan contains record-keeping provisions to track which procedures have been followed, and the results of the QA/QC and uncertainty analysis, and contains feedback mechanisms for corrective action based on the results of the investigations, thereby providing for continual data quality improvement and guided research efforts.
- The plan is designed so that QA/QC procedures are implemented throughout the whole inventory-development process—from initial data collection, through preparation of the emission estimates, to publication of the Inventory.
- The plan includes a schedule for multi-year implementation.
- The plan promotes and involves coordination and interaction within the EPA, across Federal agencies and departments, state government programs, and research institutions and consulting firms involved in supplying data or preparing estimates for the inventory. The QA/QC plan itself is intended to be revised and reflect new information that becomes available as the program develops, methods are improved, or additional supporting documents become necessary.

In addition, based on the national QA/QC plan for the Inventory, source-specific QA/QC plans have been developed for a number of sources. These plans follow the procedures outlined in the national QA/QC plan, tailoring the procedures to the specific text and spreadsheets of the individual sources. For the current Inventory, source-specific plans have been developed and implemented for the majority of sources within the Energy and Industrial Process sectors. Throughout this inventory, a minimum of a Tier 1 QA/QC analysis has been undertaken. Where QA/QC activities for a particular source go beyond the minimum Tier 1 level, further explanation is provided within the respective source category text.

The quality checking and control activities described in the U.S. QA/QC plan occur throughout the inventory process; QA/QC is not separate from, but is an integral part of, preparing the inventory. Quality control—in the form of both good practices (such as documentation procedures) and checks on whether good practices and procedures are being followed—is applied at every stage of inventory development and document preparation. In addition, quality assurance occurs at two stages—an expert review and a public review. While both phases can significantly contribute to inventory quality, the public review phase is also essential for promoting the openness of the inventory development process and the transparency of the inventory data and methods.

QA/QC procedures guide the process of ensuring inventory quality by describing data and methodology checks, developing processes governing peer review and public comments, and developing guidance on conducting an analysis of the uncertainty surrounding the emission estimates. The QA/QC procedures also include feedback loops and provide for corrective actions that are designed to improve the inventory estimates over time.

## 1.7. Uncertainty Analysis of Emission Estimates

Uncertainty estimates are an essential element of a complete and transparent emissions inventory. Uncertainty information is not intended to dispute the validity of the inventory estimates, but to help prioritize efforts to improve the accuracy of future inventories and guide future decisions on methodological choice. While the U.S. Inventory calculates its emission estimates with the highest possible accuracy, uncertainties are associated to a varying degree with the development of emission estimates for any inventory. Some of the current estimates, such as those for $CO_2$ emissions from energy-related activities and cement processing, are considered to have minimal uncertainty associated with them. For some other categories of emissions, however, a lack of data or an incomplete understanding of how emissions are generated increases the uncertainty surrounding the estimates presented. Despite these uncertainties, the UNFCCC reporting guidelines follow the recommendation in the *1996 IPCC Guidelines* (IPCC/UNEP/OECD/IEA 1997) and require that countries provide single point estimates of uncertainty for each gas and emission or removal source category. Within the discussion of each emission source, specific factors affecting the uncertainty associated with the estimates are discussed.

Additional research in the following areas could help reduce uncertainty in the U.S. Inventory:

- Incorporating excluded emission sources. Quantitative estimates for some of the sources and sinks of greenhouse gas emissions are not available at this time. In particular, emissions from some land-use activities and industrial processes are not included in the Inventory either because data are incomplete or because methodologies do not exist for estimating emissions from these source categories. See Annex 5 of this report for a discussion of the sources of greenhouse gas emissions and sinks excluded from this report.
- Improving the accuracy of emission factors. Further research is needed in some cases to improve the accuracy of emission factors used to calculate emissions from a variety of sources. For example, the accuracy of current emission factors applied to $CH_4$ and $N_2O$ emissions from stationary and mobile combustion is highly uncertain.
- Collecting detailed activity data. Although methodologies exist for estimating emissions for some sources, problems arise in obtaining activity data at a level of detail in which aggregate emission factors can be applied. For example, the ability to estimate emissions of $SF_6$ from electrical transmission and distribution is limited due to a lack of activity data regarding national $SF_6$ consumption or average equipment leak rates.

The overall uncertainty estimate for the U.S. greenhouse gas emissions inventory was developed using the IPCC Tier 2 uncertainty estimation methodology. A preliminary estimate of the overall quantitative uncertainty is shown below, in Table 1-5.

The IPCC provides good practice guidance on two approaches—Tier 1 and Tier 2—to estimating uncertainty for individual source categories. Tier 2 uncertainty analysis, employing the Monte Carlo Stochastic Simulation technique, was applied wherever data and resources permitted; further explanation is provided within the respective source category text. Consistent with the IPCC Good Practice Guidance, over a multi-year timeframe, the United States expects to continue to improve the uncertainty estimates presented in this report and add a quantitative estimates of uncertainty for the one remaining source for which a quantitative estimate does not exist—$CO_2$ from Natural Gas Flaring.

Emissions calculated for the U.S. Inventory reflect current best estimates; in some cases, however, estimates are based on approximate methodologies, assumptions, and incomplete data. As new information becomes available in the future, the United States will continue to improve and revise its emission estimates. See Annex 7 of this report for further details on the U.S. process for estimating uncertainties associated with emission estimates and for a more detailed discussion of the limitations of the current analysis and plans for improvement.

## 1.8. Completeness

This report, along with its accompanying CRF tables, serves as a thorough assessment of the anthropogenic sources and sinks of greenhouse gas emissions for the United States for the time series 1990 through 2004. Although this report is intended to be comprehensive, certain sources have been identified yet excluded from the estimates presented for various reasons. Generally speaking, sources not accounted for in this inventory are excluded due to data limitations or a lack of thorough understanding of the emission process. The United States is continually working to improve upon the understanding of such sources and seeking to find the data required to estimate related emissions. As such improvements are made, new emission sources are quantified and included in the Inventory. For a complete list of sources excluded, see Annex 5 of this report.

## 1.9. Organization of Report

In accordance with the *Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories* (IPCC/UNEP/OECD/IEA 1997), and the 2003 *UNFCCC Guidelines on Reporting and Review* (UNFCCC 2003), this Inventory of U.S. Greenhouse Gas Emissions and Sinks is segregated into six sector-specific chapters, listed below in Table 1-6. In addition, chapters on Trends in Greenhouse Gas Emissions and Other information to be considered as part of the U.S. Inventory submission are included.

Within each chapter, emissions are identified by the anthropogenic activity that is the source or sink of the greenhouse gas emissions being estimated (e.g., Coal Mining).

Overall, the following organizational structure is consistently applied throughout this report:

**Chapter/IPCC Sector**: Overview of emission trends for each IPCC-defined sector.

**Table 1-5. Estimated Overall Inventory Quantitative Uncertainty (Tg $CO_2$ Eq. and Percent)**

| Gas | 2004 Emission Estimate (Tg $CO_2$ Eq.) | Uncertainty Range Relative to Emission Estimate[a] (Tg $CO_2$ Eq.) | | (%) | | Mean[b] | Standard Deviation (Tg $CO_2$ Eq.) |
|---|---|---|---|---|---|---|---|
| | | Lower Bound[c] | Upper Bound[c] | Lower Bound[c] | Upper Bound[c] | | |
| $CO_2$ | 5,988.0 | 5,920.5 | 6,329.8 | -1.1% | 5.7% | 6,120.6 | 105.3 |
| $CH_4$ | 556.7 | 495.3 | 620.2 | -11.0% | 11.4% | 556.5 | 31.8 |
| $N_2O$ | 386.7 | 235.1 | 571.5 | -39.2% | 47.7% | 403.1 | 88.3 |
| PFC, HFC & $SF_6$[d] | 143.2 | 130.1 | 164.8 | -9.2% | 15.1% | 147.2 | 8.9 |
| **Total** | **7,074.7** | **6,966.8** | **7,518.9** | **-1.5%** | **6.3%** | **7,245.2** | **142.2** |

[a] Range of emission estimates for a 95 percent confidence interval.
[b] Mean value indicates the arithmetic average of the simulated emission estimates; Standard deviation indicates the extent of deviation of the simulated values from the mean.
[c] The low and high estimates for total emissions were separately calculated through simulations and, hence, the low and high emission estimates for the sub-source categories do not add up to total emissions.
[d] The overall uncertainty estimate did not take into account the uncertainty in the GWP values for $CH_4$, $N_2O$ and high GWP gases used in the inventory emission calculations for 2004.

**Table 1-6: IPCC Sector Descriptions**

| Chapter/IPCC Sector | Activities Included |
|---|---|
| Energy | Emissions of all greenhouse gases resulting from stationary and mobile energy activities including fuel combustion and fugitive fuel emissions. |
| Industrial Processes | By-product or fugitive emissions of greenhouse gases from industrial processes not directly related to energy activities such as fossil fuel combustion. |
| Solvent and Other Product Use | Emissions, of primarily NMVOCs, resulting from the use of solvents and $N_2O$ from product usage. |
| Agriculture | Anthropogenic emissions from agricultural activities except fuel combustion, which is addressed under Energy. |
| Land Use, Land-Use Change, and Forestry | Emissions and removals of $CO_2$ from forest management, other land-use activities, and land-use change. |
| Waste | Emissions from waste management activities. |

Source: (IPCC/UNEP/OECD/IEA 1997)

**Source category:** Description of source pathway and emission trends.

**Methodology:** Description of analytical methods employed to produce emission estimates and identification of data references, primarily for activity data and emission factors.

**Uncertainty:** A discussion and quantification of the uncertainty in emission estimates and a discussion of time-series consistency.

**QA/QC and Verification:** A discussion on steps taken to QA/QC and verify the emission estimates, where beyond the overall U.S. QA/QC plan, and any key findings.

**Recalculations:** A discussion of any data or methodological changes that necessitate a recalculation of previous years' emission estimates, and the impact of the recalculation on the emission estimates, if applicable.

**Planned Improvements:** A discussion on any source-specific planned improvements, if applicable.

Special attention is given to $CO_2$ from fossil fuel combustion relative to other sources because of its share of emissions and its dominant influence on emission trends. For example, each energy consuming end-use sector (i.e., residential, commercial, industrial, and transportation), as well as the electricity generation sector, is described individually. Additional information for certain source categories and other topics is also provided in several Annexes listed in Table 1-7.

**Table 1-7: List of Annexes**

| | |
|---|---|
| **ANNEX 1** | **Key Category Analysis** |
| **ANNEX 2** | **Methodology and Data for Estimating $CO_2$ Emissions from Fossil Fuel Combustion** |
| | 2.1. Methodology for Estimating Emissions of $CO_2$ from Fossil Fuel Combustion |
| | 2.2. Methodology for Estimating the Carbon Content of Fossil Fuels |
| | 2.3. Methodology for Estimating Carbon Emitted from Non-Energy Uses of Fossil Fuels |
| **ANNEX 3** | **Methodological Descriptions for Additional Source or Sink Categories** |
| | 3.1. Methodology for Estimating Emissions of $CH_4$, $N_2O$, and Indirect Greenhouse Gases from Stationary Combustion |
| | 3.2. Methodology for Estimating Emissions of $CH_4$, $N_2O$, and Indirect Greenhouse Gases from Mobile Combustion and Methodology for and Supplemental Information on Transportation-Related Greenhouse Gas Emissions |
| | 3.3. Methodology for Estimating $CH_4$ Emissions from Coal Mining |
| | 3.4. Methodology for Estimating $CH_4$ Emissions from Natural Gas Systems |
| | 3.5. Methodology for Estimating $CH_4$ Emissions from Petroleum Systems |
| | 3.6. Methodology for Estimating $CO_2$ and $N_2O$ Emissions from Municipal Solid Waste Combustion |
| | 3.7. Methodology for Estimating Emissions from International Bunker Fuels used by the U.S. Military |
| | 3.8. Methodology for Estimating HFC and PFC Emissions from Substitution of Ozone Depleting Substances |
| | 3.9. Methodology for Estimating $CH_4$ Emissions from Enteric Fermentation |
| | 3.10. Methodology for Estimating $CH_4$ and $N_2O$ Emissions from Manure Management |
| | 3.11. Methodology for Estimating $N_2O$ Emissions from Agricultural Soil Management |
| | 3.12. Methodology for Estimating Net Carbon Stock Changes in Forest Lands Remaining Forest Lands |
| | 3.13. Methodology for Estimating Net Changes in Carbon Stocks in Mineral and Organic Soils |
| | 3.14. Methodology for Estimating $CH_4$ Emissions from Landfills |
| **ANNEX 4** | **IPCC Reference Approach for Estimating $CO_2$ Emissions from Fossil Fuel Combustion** |
| **ANNEX 5** | **Assessment of the Sources and Sinks of Greenhouse Gas Emissions Excluded** |
| **ANNEX 6** | **Additional Information** |
| | 6.1. Global Warming Potential Values |
| | 6.2. Ozone Depleting Substance Emissions |
| | 6.3. Sulfur Dioxide Emissions |
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| | 6.5. Constants, Units, and Conversions |
| | 6.6. Abbreviations |
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| **ANNEX 7** | **Uncertainty** |
| | 7.1. Overview |
| | 7.2. Methodology and Results |
| | 7.3. Uncertainty Estimation as a Process |
| | 7.4. Planned Improvements |